

ENTREPRENEURIAL PSYCHOLOGY AND COMPETENCIES: SOME PERSPECTIVES FROM E-COMMERCE ENTREPRENEURS IN MALAYSIA

Ahmad Firdause Md Fadzil ¹, Umami Junaidda Hashim ¹, Mohd Rafi Yaacob ²,
Hasimi Sallehudin ³, Mohd Nazri Muhayiddin ², Dzulkifli Mukhtar ², Fauzilah
Salleh ¹, Rashidah Mohamad Ibrahim ¹

¹ Universiti Sultan Zainal Abidin, Malaysia

² Universiti Malaysia Kelantan, Malaysia

³ Universiti Kebangsaan Malaysia, Malaysia

E-mail: junaidda@unisza.edu.my

Received June 2019; accepted August 2019

Abstract

Over the past three decades, studies on entrepreneurship reveal its main components, particularly for new venture creation processes and have been widely discussed by the researchers. An entrepreneur is the main actor in entrepreneurship who is responsible for a new ventures creation. Most of the previous researchers had studied aspects of entrepreneurial cognitive and motivation have approached the process of new ventures creation in general, but overlooked on the e-commerce ventures. The past studies paid the least focus on entrepreneurial competencies which lead to e-commerce new venture creations. In order to fill the lacunae, this study aims to identify the role of cognitive, motivation and competencies that contribute to the creation of new e-commerce ventures in Malaysia. The case study approach was used by interviewing a total of 12 e-commerce entrepreneurs from May 2013 until December 2014. The findings revealed that personal background, work and business skills are among the important factors in the creation of new e-commerce ventures in Malaysia. As entrepreneurs are motivated internally and externally, findings from this study identified 2 types of entrepreneurial motivation which are related to internal motivation; (i) need for achievement and (ii) interest. On the other hand, external motivation as a result of interactions with conducive environment such as customers, family members and industries have increased entrepreneur's motivation that gives impact to business success. Research findings also have found that entrepreneurial competencies in both computer and communication skills are largely contribute to the creation of new e-commerce ventures. Hence, the government plays an important role in entrepreneurial activities through the encouragement of entrepreneurs' cognitive ability, motivation, and improve their entrepreneurial competencies. It is certainly that entrepreneurship is among the vital business market that boosts the economic development of the country through the emergence of new ventures in the future.

Research paper

Keywords: Entrepreneurship; New Venture Creation; Psychology; Competencies; E-Commerce

Reference to this paper should be made as follows: Fadzil, A. F. M., Hashim, U. J., Yaacob, M. R., Sallehudin, H., Muhayiddin, M. N., Mukhtar, D., Salleh, F., & Mohamad Ibrahim, R. (2019). Entrepreneurial Psychology and Competencies: Some Perspectives from E-Commerce Entrepreneurs in Malaysia, *Journal of Entrepreneurship, Business and Economics*, 7(2), 31–79.

Introduction

Recently, there are many debatable issues discussed in areas of entrepreneurship research. Variety opinions are also identifiable within defining entrepreneurship. Davidsson (2005) observed several definitions of the phenomenon of entrepreneurship by few researchers; as a new entry (Lumpkin & Dress, 1996), the creation of new enterprise (Low & MacMillan, 1988), the creation of organizations (Gartner, 1988), a process of creating something different with value (Hisrich & Peters, 1989). These definitions, however highlights more on the creation of new organization based on Gartner's (1988) answer to the question "How does an organization come into existence" which involves a complex process through the interaction of various components. Apart from that, many of past studies on entrepreneurship have focused on entrepreneurs' psychology as it is also an important element in the new venture creation. Shane (2003) has explored how individual differences may influence the entrepreneur's decision making. She has further added that individual attributes (i.e. cognition, motivation and personality) may influence entrepreneurs in decisions making at discovering and exploiting entrepreneurial opportunities.

Three psychological elements of entrepreneurs such as cognition, motivation and personality, mainly dominated entrepreneurship studies, besides adding on to existing theory of economic and sociological perspectives. Human cognition varies from one person to another due to the information that they have received from their past experiences and/or personal background, which greatly influences their personal judgment and decision

at starting a new venture creation. The entrepreneurs' cognition is initially argued by many prominent scholars like Baron (1998); who believed that cognitive and reasoning of thinking are mechanisms in entrepreneurship which in many aspects, answers the questions of why and when do entrepreneurs think differently from other people. Baron (2004) mainly asked of two basic questions in entrepreneurship – why do some choose to become entrepreneurs and why can some recognize opportunities at creating new organization while others cannot. The similar study by Fadzil et al. (2017) was categorized cognitive elements arise from two related factors; (i) personal background and (ii) experiences. Another element that to be significant in the study of entrepreneurship is motivation. Past studies have proven that motivation has become one of the major factors that cause entrepreneurs in exploiting many business opportunities (Shane et al., 2003). This is supported by Segal et al. (2005) where they found that one of the reasons for being an entrepreneur is one's high level of motivation to be self-employed (to get extra income). Apart from that, one's personality is also essential in running a successful business. According to Cromie (2000), it is the “psychological principle” which leads one to establish his own business based on the need for achievement, autonomy, risk-taking, locus of control, creativity and tolerance of ambiguity.

Many scholars argue that psychological factor alone is inadequate to establish a new venture creation. One should also be equipped with communication and computer skills in order to become a successful entrepreneur (Fadzil et al., 2017). This study has found that entrepreneurs' communica-

tion and computer competencies play a significant role in new venture creation amongst e-commerce entrepreneurs in Malaysia. Studies on entrepreneurship, particularly regarding new venture creation in e-commerce remain least investigated. Thus, this present study aims to identify the roles of psychology & competencies in the new venture creation amongst e-commerce entrepreneurs in Malaysia. According to Dheeriya (2009) e-commerce can be described as any venture conducted solely on the internet or the World Wide Web. Unlike the brick-and-mortar business, e-commerce business mainly uses the internet and technology-based computer systems. Dheeriya (2009) argued that the conceptual framework concerning online entrepreneurship has yet to formally developed to date compared with regular entrepreneurship is often debated by many previous researchers. Gartner (1985) explained that the process of new venture creation is likely to vary according to the type of businesses, either industry or specific entrepreneurs which affect the emergence of new ventures (Salamzadeh, 2015; Salamzadeh & Kirby, 2017). Therefore, there is a need to investigate how entrepreneurial competencies influence the creation of new venture in e-commerce.

Based on previous studies, entrepreneurship can be explained as a factor that contributes to economic development in a country (Carree & Thurik, 2005; Wennekers & Thurik, 1999; Radovic Markovic & Salamzadeh, 2012). The phenomenon of entrepreneurship has an impact on market activity and economic system (Davidsson, 2008) through the creation of wealth (Drucker, 1985; Morris, 1998) and has encouraged the creation of an entrepreneurial activity for products and services (Shane, 2003). Although

entrepreneurship is not considered as a resource of a country, many scholars agree that entrepreneurs and entrepreneurship are the engine of the economic growth.

In this digital age where ICT and telecommunication advance further, e-commerce and other related businesses are blooming. E-commerce, however, gained more popularity as it has many advantages. This is true when the contribution of e-commerce entrepreneurship keeps increasing and at the same time, manages to reap billions of dollars and eroding the traditional business chain. It has indeed become a significant component of the global sales revenue growth firms (Dheeriya, 2009; Salamzadeh et al., 2017). Moreover, an interview with Mr. Azizan Mohd Findi, the General Secretariat of Planning and Coordination Commission, as reported by Sinar Harian newspaper on July 30, 2013, has clarified that the trade in e-commerce in Malaysia in 2010 until 2011, counting for almost two billion dollars and has increased to three billion dollars in 2012 (Mohd Firdaus Hashim, 2013). Although there are no accurate figures explaining the number of business entities that conducted e-commerce business in Malaysia, the amount of three billion Ringgit, contributed to the country's trade in 2012 has clearly shown that the emergence of the new business in e-commerce in Malaysia is encouraging.

Entrepreneurship is part of the engine on the economic growth in a country (Baron & Shane, 2008; Gartner & Bellamy, 2009; Salamzadeh & Kawamorita Kesim, 2017) through the creation of new businesses, employment, and innovation, many researchers had exploring the of why an entre-

preneur decided to start a new business (Townsend, 2010). Therefore, many researchers examine the domain of entrepreneurship looking at the role of psychology and competencies that have influenced the new ventures creation are among their interest recently.

Methodology

Twelve successful entrepreneurs who have been identified by the Malaysian Communications and Multimedia Commission (MCMC) 2012 were selected as informants and interviewed for the present study. The demographics information of the informants as shown in Figure 1 below. The respond provided were varied, according to their business sector, gender, location as well as historical background of e-commerce business. However, these informants share a few things in common where all of them are categorised as small and micro enterprises which have a number of employees not exceeding 30 or total sales not exceeding RM30 million for a year. They are also active in e-commerce business, where they run a full-time business and their businesses have been operating between one to six years (start-up duration). The interviews were conducted based on semi-structured questions. Each interview was audio-recorded and transcribed verbatimly and the analysis of the interviews produced tentative categories or themes to answer the purpose of study (Merriam, 2009).

In the early stages of data analysis, the tentative themes were inductively discovered based on the research questions. Once the themes were built, a comparative analysis of the data was made based on categories.

There are several steps to analyse the data inductively (category construction), which begins with open coding on a passage in the interview transcripts which aim to answer the research questions (Merriam, 2009). The coding was then grouped under one category which is formally known as axial coding by Corbin and Strauss (2008). There are basically three stages involved in themes development; open coding, axial coding and selective coding. This is in line with what was proposed by Corbin and Strauss (2008) in the Grounded Theory. According to them, tentative themes begin once the researcher starts to analyse the data with open coding; identifying themes by constantly examining the interview transcripts line by line. The themes constructed are important in answering the research questions of the study. After the interview, transcripts are thoroughly reviewed and open coding is then placed under the axial coding; *“coding that comes from reflection on interpretation and meaning”*. In other words, axial coding is derived from several open coding that share similar meanings that construct a particular theme. The last stage involved in this data analysis is selective coding where the researcher selectively codes the main categories that comprise of several axial coding, which supported the construction of the main categories.

Figure 1. Demographics of Entrepreneurs

Entrepreneurs'	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	P11	P12
Sex	M	M	F	F	M	F	M	M	F	M	F	M
Age	36	44	34	50	27	36	28	28	34	34	27	28
Education	SPM	C	DEG	SPM	DEG	DIP	DEG	DEG	DEG	SPM	DEG	MAS
Race	M	M	M	M	M	M	M	M	M	M	M	M
States	KDH	N9	KL	PRK	KDH	SRK	SEL	SEL	SEL	SEL	SEL	SEL
Established	2011	2009	2007	2011	2011	2009	2010	2012	2008	2013	2009	2012
Monthly Income (RM)	80,000	30,000	40,000	30,000	30,000 - 40,000	5,000	125,000	200,000	200,000	30,000 - 50,000	-	200,000
Worker	4-5	6	2(3-4)	3(12)	6	1(3)	13	4(1)	15	2	25	25

Info: P: Informer; M: Male, F: Female ; SPM: Sijil Pelajaran Malaysia, C: Certificate from Institut Kemahiran Belia Malaysia, DIP: Diploma, DEG: Degree, MAS: Master; M: Melay; KDH: Kedah, N9: Negeri Sembilan, KL: Kuala Lumpur, PRK: Perak, SRK: Sarawak, SEL: Selangor, -: No information; (-): Part-time; ()

Findings

The findings of the study identified that four of the twelve entrepreneurs had associated their previous education contributed to the new venture creation in e-commerce. The education they received play essential roles as the primary guideline before they decided to start a new business. Previous knowledge gave them basic ideas to create new ventures and how to manage their activities with good strategies. For example, according to P9, her previous study at MMU was an excellent platform to get knowledge about graphics multimedia and digital media skills - basic abilities to start the new venture in e-commerce.

“My previous study at Malaysia Multimedia University (MMU) helped me a lot in this business. I am very... like the computer. It is highly impacts because during my studies, I was taught about graphics, multimedia and digital media. So I can create graphics, take pictures, edit the pictures. I can do it. So during the early stages of startup my business that knowledge really helps me. all about graphic skills. This is online business.” (P9)

Sharing the same opinion with P9, referring to P11, she also learned a little bit about marketing strategy and branding. That knowledge applied to help her in starting a new business;

“My previous study can be used to create my business now. So I know little-bit about marketing and branding. When I want to startup my business, I can recall back the things I learned before. Oo... I learned about this before. I learned about the target marketing, market reach. I learned about branding, word of mouth. Like that. So I can use back for my business” (P11)

The Degree in Tourism at UiTM gives her an advantage in starting a new business because she knows the basic knowledge of marketing strategy;

“Yes. That is influence is (previous education). It may be an advantage to me. Maybe not all people learned about branding right? So, it is an advantage actually. How I am going to make customer remember and know about our business” (P11)

This pattern was discerned, according to P3 she also a degree holder from Malaysia Multimedia University (MMU) in digital computer art (same college with P9). She exposed to e-commerce as compulsory subjects at the

university. She also claimed almost all MMU students involved in e-commerce business after graduated because they already presented with basic knowledge of e-commerce.

“I am exposed since studying at Malaysia Multimedia University. So if you know many students from Malaysia Multimedia University (MMU) starting the business online. We are already exposed to doing the business online since at university. That is a good advantage we are studied MMU” (P3)

The difference situation with P2, he is not a degree holder but only had high proficiency certificate in technical designer at Institut Kemahiran Belia Malaysia (IKBM)— a training institute. He learned a lot about how to design the product base on steel material during the training period at the institution. The basic skills can be applied for the wood-based product as what he uses in the current business. His expertise in parang (machete) maker, sold the product via e-commerce since the year 2009. Recalling the memories when he first started the business based on the wood-based product, he had no experience to make parang because as he did not has exposure on the process. With basic skills as a steel-based designer, he tried to make parang after learning from the expert. Then, he was able to make a good quality parang together with its case where surpassing customers' expectation. After five years in operation of the business, he gained the confidence to penetrate potential market via e-commerce since he realized the opportunities through e-commerce business in 2009. In another case, he was also an ex-student of Islamic religious school in Seremban, Negeri Semb-

lan. During school time, he learned about the importance of Muslims doing business to change their lives. Therefore, he wanted to be a successful entrepreneur in the future. Technological changes, especially on the internet, has encouraged him to pursue his dream and seized opportunities by establishing a new firm in e-commerce to tap untapped market due to the burgeoning industry.

The second cognitive factor related to the personal background because of family life history involved in the business. Tacit knowledge that they acquired and accumulated within their mindset strongly embedded due to exposure in the entrepreneurship environment. Conscious and subconscious mind about early exposure to the business that sparked during the initial venture creation could be considered as their advantages that not easily gained by others. Seven out of twelve entrepreneurs who had been interviewed concurred that their entrepreneurship much related to family history as a significant factor in business start-up. Referring to P1; he has a sister and brother who also involved in the business. His mother was the founder of kapok pillow more than 20 years ago in his hometown. After his mother retired in 2006, that company was taken over by him until the year 2011. Then, he has started his business via e-commerce during the year 2011. Having a great mother as the founder of the company kapok pillow producer in the village; his late grandfather also a businessman when he was the pioneering that started the business in the rice processing plant in Alor Star, Kedah. The factor of internet accessibility in his hometown has realized him

that the potential of e-commerce business and he had interested in exploring more details on how to expand the market share.

“...When we have an own product to sell the customer, the main focus is how are we going to be market the product? That's influence my decision to do the business online” (P1)

Referring to P12, his wife family is from a family business background which motivated him to participate to join them in the business. As for P10, his father was a small business entrepreneur who used to sell traditional cakes around their village. Although his father not so successful businessman but that situation does not prevent him from being an entrepreneur, but always motivates him to be a successful businessman. Family background plays an important factor for ones to be an entrepreneur because ones familiar with such a situation and become part and parcel of their life. In other words, such as a candle flame that burns inside just waiting to burst to become entrepreneurs, sooner or later.

According to P5, he was likely born to be a businessman because almost all his family have owned businesses.

“What I said earlier I was born to be a businessman ... my blood flow ... is an entrepreneur, because most of my family is businessman” (P5)

He informed the researchers that while he was a child, he always helped his mother business during the school break. Later, that experience gave him more confident and brave enough to embark on his company on his own.

“It basically teaches me... brave, more confident with yourself” (P5)

P11 mentioned she always helped her mother to sell traditional biscuits, especially during Hari Raya celebration. That situation gives her experiences since a child and has caused a great interest in her to be an entrepreneur. During the study in UITM campuses, she polished her entrepreneurship capabilities, unlike other students she was very active in business;

“...It was effect (family background). Yes. My mother is very active to make the biscuits especially during hari raya celebration. She makes the biscuits from my village tradition. Not at hari raya celebration only but my mother also received a large quantity of demand with sold a thousand of peicies to made doorgift and so on...” (P11)

Out of twelve entrepreneurs were interviewed, only three entrepreneurs reiterated that failing to get a job that they applied pushed them into the world of entrepreneurship. According to P12, he started his new business because of job opportunities in Malaysia were very limited based on his qualification.

“One reason I started this business because of employment opportunities in Malaysia is limited. I looked at the limited job because of what? When i'm done my master tried to find work, very difficult...” (P12)

Similarly, P10 was unemployed about a few years before he started his new venture.

“So when I finish my study, I was unemployed. I tried all kinds of job. I am worked as canteens school assistant and helped my father at market night. I also work as sales man walk home by home sell to the product...” (P10)

Previous working experience of P2 had contributed very significantly for the new venture creation in e-commerce. His last previous work as a technical assistant, he works as a designer and foreman in the factory that he exposed to computer skills since a monochrome age to do the routine work. The basic knowledge of computer skills gave him the advantage to start a new business, especially in e-commerce that much dealing with the computer.

“I realize my previous work is the greatest experience to start new business in e-commerce. I already know a computer since my office used computer as black and white (monochrome)” (P2)

An experience of entrepreneurs in previous business is one of the essential elements that were contributing a new venture creation via e-commerce in Malaysia. Some of the e-commerce entrepreneurs started with other business before establishing a new e-commerce enterprise. In this case, P1 has experienced in brick and mortar business since the year 2006 and emphasized the most important aspect in business is how to market the product. Viable marketing strategy he realized to sell the product is via e-commerce;

“Based on my experience what I had said; e-commerce enables to market the product to outside. So through the internet, we can expand the market to the outside. So, if before we are only at local market like in Pahang, Perak.... But by doing business online we just only ship the product to customer via post nationwide. Thus it greatly simplifies” (P1)

P12 also involved in other business before establishing a new e-commerce venture in the year 2012. He started the company in KL;

“Before starting my online business, I am always joint business in bazaar. I was going to everywhere. But before the bazaar start, I will use the online platform to inform the customer that I will open a small shop in bazaar at everywhere in Kuala Lumpur...” (P12)

The same situation observed with P10, who had many experiences in other businesses before deciding to establish a new company based on cosmetic products. He has involved in consultancy and trading business for seven years, started in the year 2006 and ended in 2013; he established the current company in 2014.

“Before this, I was in trading (business). I am also a consultant... business consultant. I was a trainer in IPTA (public university) and IPTS (private university). Many universities call me for talk sharing in an entrepreneurship issue. I started to sell other people's products before creating my own product...” (P10)

He also experiences e-commerce since he manages to sell his product via online through ebay.com for international market before establishing new venture based on a cosmetic product in 2014. He already knew about how to market his products via online;

“A lot of kind of business I had tried. I had sold all kind of things involved the consumer products, household and accessories. I start my first product by selling to overseas market. I sold in e-bay...” (P10)

The P5 had started business since he was studying at a local university when he has identified opportunities to solve the student's problem. He realized the opportunities to sell the printing t-shirt for the student which is stock ready to made from outsourcing suppliers. After that, he also tried to involve in other business such as contractor and training before he established e-commerce printing company in year 2011/2012. The same situation with P5, P2 worked in all kind of businesses after he resigned the job in 1998. He involved in many companies such as fixing machinery, plumbing, and welding workshop but all were not success. According to him, experiences were helpful in business, especially how to manage and treat customers respectful. His earlier experience can also be applied to the e-commerce business.

“But the experienced in terms of business principles. That meaning it more contributed to the business principles, we can also apply it to online business. Business online is easier because we do not to directly deal with customers...” (P2)

The P4 has started in business since when she received some orders to sew traditional clothes for customers in her village. At that time her interest to start up a business began when she was thinking of the future. So she started the company in a traditional bakery in the year 2005. She realized the potential market by selling traditional biscuit via online market and planned to establish the e-commerce venture in the year 2011.

As for P11 and P8, they had the business experience since their studies at universities a few years ago. P8 started the business online during the last

semester at Universiti Teknologi MARA (UITM), she realized the opportunities of online business at the time.

“From started of business (business history)? Ok, I actually start from the time that I was study in a degree of tourism at UITM Shah Alam, last semester. I see at the time business online still not established. So I tried to start, at that time people did not know about online business...” (P8)

The interviewers identified several elements of motivation, which provided strong support to justify the creation of new e-commerce ventures in Malaysia. Motivation is caused by certain factors which influence the entrepreneurs’ behaviour. This study has found that increasing entrepreneur’s motivation is divided into two factors, namely internal and external stimulation. Internal stimulation is the motivation that appears within the entrepreneurs’ selves where they have the desire to succeed and personal interests which influence their behaviour to act upon achieving a goal. The external stimulation is the motivation that arises from the external environment which affects their behaviour to act entrepreneurially.

a) Need for achievement

The first internal stimulation for entrepreneur motivation theme is concerned, namely, the desire to succeed in business in the future. Entrepreneur motivation arises from the desire to achieve success which is driven by the push factors (such as personal background and attractions namely the desire for lucrative income gained from e-commerce business).

Historical background has been as an instrument that triggering entrepreneurs' desire to succeed in achieving a goal in the future. Someone who grows up in a poor family will be more exposed to the entrepreneurial engagement for respective changing lives through business opportunities. The interview reveals that some entrepreneurs have a history of family difficulties before venturing into entrepreneurship. This can be proved a result interviewed with P1, P2, P5, P7, P9, and P12 with their desire to succeed in the future.

This fact was recognized by P1 who has high desire to change his standard of living by selling products based on kapok pillow. P1 who is from a poor family in a rural area of Kedah has taken over his family business since the year 2006. Armed with high spirits and ambitions, P1 has succeeded in changing the competition of the business after running the e-commerce since 2011. In addition, his self-motivation shoots up after seeing the potential of kapok pillows in the region which was the least competitive. P1 has high goals at changing the way existing business model to e-commerce where he:

"first try looking at this areas... the way people do business ... will it go forward? selling a pillow with tradisional platform? That motivated me to change the current business approach to e-commerce"(P1)

The same situation was experienced by P9, who desired to succeed. He was also from a poor family. Previous experience has motivated P9 to become a successful entrepreneur by running his own business later. P9 rationalized that working with other people does not guarantee future success.

He was determined at taking another person's failure to change his standards of living. He was more interested in becoming entrepreneur that allowed him to gain lucrative income. Quotes P9:

"Since a child, I was interested in doing business. My family comes from the poorest background. So I was determined since I was a child to be rich through own business... I don't want to work with someone else because I know it won't change anything. When I retire, I don't want just to have a proton car. I don't want to be insulted, but I have seen it since I was a child. If you want to be rich, do business... I remember the richest person in my village... Doing a start-up petrol station business. ". (P9)

As such, P9's aspiration to become a successful entrepreneur was in line with the trending of e-commerce businesses in 2008 that promises good opportunities. Here is a P9 quote:

"At that time in 2008 ... The trend was using blog shop as the business platform. So, I took that opportunity. I know that online business is a good business platform. So, I make it. It's not about online business, but it's about good business. I do that. Looks to the new future. "(P9)

The same thing was recognized by P2, who was not interested to work with others and his family has motivated and always encouraged her to become successful entrepreneurs. A career as an entrepreneur has become a family pride rather than choosing to work with others which does not change standards of living. Entrepreneurs are able to multiply their income and improve their standards of living much better than those working with others:

"It's a matter of family motivation, my dad, even though my father is a farmer but he has a spirit of enthusiasm for our siblings. It's no word to work with people which is our family pride... Greater. Half of the family say working with the government is better than doing business, with business, one is not certain... But for us, government work is just a temporary. I have four male siblings; all four of us resigned as government servants" (P2)

Family background factor had influenced P10, P12 and P5 to change their future life destiny. All of them realized that it is not easy to change things in life without having the motivation and effort to start a business. Despite of their family background, the desire to change the fate of their lives has always been a priority in planning. Here is one quote by P12 to illustrate this situation:

"I was raised in a poor family. It means nothing special with my family, same as others. My father was a lower class worker. So I tried to change my life. I want to feel how happy rich people feel. From there, I become passionate about doing business. From there, I tried my best to grow my business" (P12)

As explained, entrepreneurs are those who highly ambitious to success especially in their businesses. In addition to motivation which is driven by historical family background, the need for achievement is also caused by certain motives achievable through e-commerce business. These motives determine the goals that someone wants to achieve in life either financially or otherwise. For the context of this study, entrepreneurs are those who have high goals to achieve success in businesses and they have specific targets.

This situation is explained by some statements from interviewing of P4, P5, P6, P7, P8 P10 and P11 who observably have certain goals to be achieved regarding their business success in the future. However, the researchers only quoted two passages by P11 and P8 to strengthen the researchers' justification on this issue. The ultimate goal that P11 wants is to be the leader in the product brand. Desiring to have a great following on the built business platform is a good strategy to increase the brand of the product in the Malaysian market in the future:

"The thing that motivates me to become number one, I mean is like my brand, is to be number one amongst the tops, that makes me want to plan. I think that's why I want to be top brands to and I'm famous for it. "(P11)

The same opinion is shared by P8 who has specific goals to achieve in the business despite of family opposition. In addition to success in e-commerce business, P8 also aspires to penetrate the international market by owning a business network to Dubai, New York, and London. This has pushed P8 to work harder in order achieve the goals:

"The most motivating thing for me is actually the goal that can be achieved.... I want to go international and I want to open a network up to Dubai, New York, and London. So it's a mission ... So I do not stop till I succeed. "(P8)

Self-determination is the basis for entrepreneurs to achieve the goal. Without a clear goal, it is impossible for entrepreneurs to succeed in business. Entrepreneurs who have a goal will be more open to looking for busi-

ness potential. The ability of entrepreneurs to identify potential business depends on the information received. This fact is acknowledged by P10, who have desires to become a successful entrepreneur through e-commerce business as income generating:

"I see that (success) ... because I'm got the information in the book. I realize about the potential to generate a lot of money, being able to enjoy of doing business, I read not just one book, but many books. All the business books stories. Who are the rich people we see in the world? Most millionaires in world or in Malaysia, all of those are businessmen ... "(P10)

The P3 shared the same opinion, pointing out that the internet factor has revealed the successes of e-commerce business. There are a number of stories on the business that start-up by entrepreneurs from abroad where shared the common features: they are in the early stages of start-up, operating only at home with low-cost expenses before moving to higher reputation of business. What needs to be emphasized is that computer skills, marketing techniques and strategies become good aspiration to other entrepreneurs:

"Because I was searching in the internet ... I read, I did some research in the US, in the UK what all of them did business and went through the same process. Starting business at house, no need much money, free ... But they used internet for marketing... "(P3)

The potential of e-commerce business is indescribable when it enables entrepreneurs to generate money. Entrepreneurs who dare to seize the opportunity to explore potential e-commerce businesses will be more competitive based on business advantages. The advantages of e-commerce are

providing excellent income to entrepreneurs. It is acknowledged by P10, explaining the high commitment of living in the cities which encouraged him to start e-commerce business in order to generate income easily as a way to bear the living cost:

"It is able to give a better income. Living in the city is very expensive and we might fail to deal with commitments of surviving here...So how? How can we make sure that we have enough income every month to pay our commitments? So I see that e-commerce is potential and that motivated me to do so. I'm interested in online business; I see the potential of being very easy with the knowledge ... make money via online business"(P10)

Luxury income generation through e-commerce is due to the possibility of dispensing unlimited quantity of products sold to certain locations but also enabling the coverage of larger markets. For entrepreneurs with broader market penetration, it will indirectly increase the quantity of product sales to customers. This fact was acknowledged by P7 and P4, reflecting that unlimited e-commerce business (sales volume) as compared to regular businesses is due to high market penetration rates. P7 explained on this situation:

"Online marketing is unlimited. If you sell a burger a day for at least 100 pieces, tomorrow 150 pieces, after that 120 pieces ... this is an average quantity...but if you sell online, the income is unlimited ... It's fun doing online business... we have no average. unlimited quantity of selling"(P7)

Therefore, in order to generate higher income, many entrepreneurs have aimed to generate substantial profits in the business by selling products

not only locally but also internationally. To generate huge profits in business, entrepreneurs should emphasize marketing aspects by introducing their products to the customers. Therefore, P1 and P5's initial plan of establishing an e-commerce business is due to the desire of marketing products and generating greater income. E-commerce business enables the generating of higher income as due to its unlimited market expansion. Here are two quote passages by P1:

"As I said before, start from marketing ... emphasize on marketing. So we introduce our goods, customers are out there "(P1)

"To succeed, we need to sell our goods. So if we do not sell our goods, how can we get profit? The way of marketing... which is the way of our product is marketed (online) ... "(P1)

Marketing trends in e-commerce is the most effective way in business today where entrepreneurs need to pursue opportunities to maintain growth. Business success is seen more easily based on the assumption that larger market penetration leading to more sales quantities. Thus, e-commerce marketing techniques complement conventional marketing tools in terms of introducing and attracting customers to buy products in the market. Here is a quote by P2:

"It's about business success, we need go through online platform. This online business is actually one of the latest marketing techniques nowadays, so if you want to be successful today, online business is easier to succeed. It's easy for us to sell our products if we have an online business ... "(P2)

The success of entrepreneurial businesses is often measured based on the quantity of product sales in the market. For entrepreneurs who are want to succeed in business should focus on marketing aspects to introduce products to customers. Generating great income in business depends on the quantities of sold products through market penetration. Thus, entrepreneurs should pursue the opportunity by starting e-commerce business to explore new market opportunities in order to generate more profit. Therefore, P1 is confident to grow the business, and expand the product to the global market achieved only through e-commerce business. Here are some quote by P1:

"So if we want to expand our market. We can't only depend on the existing market. We need to improve ourselves by having a good marketing plan. Emphasize on marketing first. So, that why marketing is important to entrepreneurs "(P1)

"If you do not do online business, the product market spread is lesser. So we need to introduce our product. It's important to be marketed. So the current situation in this era need everyone uses online to good move "(P1)

The same fact is acknowledged by P12, who saw the opportunity of marketing products through e-commerce business in order to generate more revenues. Entrepreneurs are now heavily dependent on e-commerce businesses if they want to get higher profits as compared to regular businesses. E-commerce business has provided a platform for entrepreneurs to market their products to customers throughout Malaysia. To expand the product, e-commerce business is the right choice to attract buyers who are far from

business locations. The internet provides a link between the entrepreneurs and the customers. Here is an excerpt by P12;

"As I said, we want to market our brand, our products, we use online. It means if we are not using online, how do we get buyers from all over in Malaysia? From there we can see online is very important. In terms of helping our business. It means we use it online as well. We know about online; we know how buyers use online to buy our goods. We can generate more revenue "(P12)

b) Interest

The second sub-theme is about the entrepreneur's interest which is great influence on the e-commerce new ventures in Malaysia. Interest is an internal stimulus in entrepreneurial motivation to start-up new ventures apart from the desire to succeed. The difference between interest and need for achievement by entrepreneurs is based on motives. Interest is derived from the tendency or desire for something that fulfills individual needs without having any particular motives while need for achievement is driven by other motives such as to changing of life, the desire to become the rich person and others which affect the individual behavior. Therefore, a person's interest in something can contribute to the process of e-commerce new ventures in Malaysia.

Findings from this study found that seven out of the twelve interviewed entrepreneurs linked their interest in motivation that contributed to the creation of new e-commerce ventures in Malaysia. The interests high-

lighted by entrepreneurs are generally divided into two aspects, namely in business and information technology. Both types of interest make an important combination of creating new e-commerce ventures which entail entrepreneurs favoring in business and information technology.

Interest in business is an important basis that motivates a person to become an entrepreneur and creating new business. Interest encourages their intentions where individual behavioral in trying something according to the intention even without having a clear motive. Interests are often associated with historical backgrounds where they encourage them to behave in that way. This fact is evidenced by P1, explaining interest is a result of self-disclosure of businesses acquired since the time of helping small-scale family businesses. The same fact is acknowledged by P3 who has a very special interest in business since her child time. Having a hardworking attitude has been an advantage to start-up new ventures as consistent developed currently. Here are quotes P1 and P3;

"Business knowledge is originally because of an interest ... When you are interest in business it comes too ... Because I was born my mom was already involved in small business ... she was selling a variety of goodies such as cakes"(P1)

"I like doing business since I am child. I always think about business matters. I'm workaholic. I work as hard as I could ... So if I doing business, the more money I can get ... So, I do business "(P3)

A slightly different situation happened to P11 who aware that her interest in doing business after taking a few papers of marketing during study-

ing the degree of tourism. Knowledge learned in marketing has raised P11's interest in business and he exploited this interest after graduation:

"So, Alhamdulillah that degree in tourism required me to take a few of marketing courses... After that, I know what I'm interested in ... after my graduation. That's time I know my interests to doing business. "(P11)

The interest has turned out to widen additional opportunities for P11 and P8 to always work tirelessly in order to manage the business until it succeeds. Without having a keen interest, it is impossible for a person to become an entrepreneur and manage a challenging business. Business interest has taught them to be consistent and to be persevere even when they have to face big losses. This fact is explained by P11 and P8 who said:

"I really have an interest in the business, but I do not know. Because at the beginning I don't think seriously when doing business... When I give up, I will stop doing business ... But everything changed when I was involved with hijab stuff... I never want to stop doing business". (P11)

"Both... passion ... deep interest. But some people may not see them as important, but for me, passion and interest have caused me to quickly become despair. My losses were not RM50 or RM100 ... But hundreds of thousands. I stay on making t-shirts and not to do anything else, "(P8)

For P7, interest in the e-commerce business is due to the possibility of making more. The experience of spending a lot of time on online gaming has opened his mindset to do other more beneficial activities like running an e-commerce business. It turned out that as a result of his change of attitude,

it has triggered P7's interest in e-commerce and led to success in business. Here's an excerpt by P7:

"One, the main point is in deep interest. We are interested to do online business because it can give good income... So, from there I think we could get money easily from online business... So, the main point is to be interested in the business "(P7)

In addition to business interests, entrepreneurs are also well-known to have high-interest level in information technology (IT) which is the basis of the e-commerce business. A person with an interest in information technology (IT) is more likely to be susceptible to e-commerce business with the assumption that the relationship between them is closely intertwined. Entrepreneurs who are least interested in information technology (IT) are not likely to carry out e-commerce business that is always demanding and requires full commitment to use computers:

"Interest in IT.... If we are not interested in IT or computers, we can't do online. Better to go offline ... conventional business. There are people like that "(P9)

The same fact is acknowledged by P10 who is keen with computers. The interest was finally converted into some use when he began running an e-commerce business that was capable of generating huge revenue. Here's a quote from P10:

"But I'm interested in computers, I'm interested with the internet... My father was angry with me because I forgot to eat and to do prayers. He

disconnected the internet at home... I did not lose hope ... So I went to the cyber cafe, from morning to night "(P10)

c) External stimulus

The third sub-theme is about external motivation, which stimulates the entrepreneurs' external motivation. Unlike internal motivation which is driven by the need for achievement and interest, external motivation is triggered by factors that influence decisions and actions. Findings from the interviews show that external factors have influenced entrepreneurs' motivation during their creation of ventures process. Without the support of external motivation, it is difficult for them to boost the business spirit. This fact is acknowledged by P12, where customers' response to the products sold had motivated him to continue doing business until he is successful now. The continuous flow of customer support has brought P12 to create a creative product design in order to meet their expectations who continuously support new products offered. The presence of customers who exhibit deep interest in the products sold is a sign of business support that P12 decided to move forward without worrying about market demand. Here is what P12 said:

"The main reason is the strong support from my regular customers who are always demanding for new products from Cala qisya. From there, I was motivated to continue my business"(P12)

"When we've created an attractive product and we market it, we've got buyers, so our customers never stop from purchasing. They need to

know what is the new product line and this makes them eager and waiting... From there we can proceed with our business. We feed our customers with information on our new items as well as update them with the current trend "(P12)

Customer support for products can be considered as additional criteria that provide external stimulus for entrepreneurs, besides having internal motivation. There are other interviewed entrepreneurs who have seen the current situation as a stimulus that push them to become more motivated in order to overcome the market gap that exists in the business. For example, P2 tried to further the legacy of traditional crafts that was almost extinct as due to the lack of interest among today's generation. Most active entrepreneurs are now unproductive and become less competitive in producing products in the market. Hence, the gap in the market needs to be considered in order to improve the traditional craft industry in line with people's expectations of the younger generation:

"An example (of moral support) come from customers who want us to continue this business because current generation seem to be able to it ... Most are old businessmen, so customers had to wait long time for parang making ...So we tried to solve the gap. We would try to fulfill customers' order within 1-2 months... So we try to reach our target. Each order will be not more than two months ... then, customer will receive the items ordered"(P2)

The situation in traditional craft industry is now very challenging which is currently monopolized by middlemen who in general, as the con-

trol market price. As a result, the monopoly affected the lives of traditional craft entrepreneurs who face difficulty and orders are completed late, unlike the promised date. The middlemen oppression against traditional craft entrepreneurs has motivated P2 to overcome the gap. A solution to this problem is to change the strategy by using e-commerce in order to demolish the middleman's monopoly and market the products directly by using e-commerce. Here's a quote from P2:

"Kelantan has a lot of artisans ... but all of them are poor... Why? The main reason is the role of middlemen... The middlemen mainly control market price. Customers would contact the middlemen to order the products ... As an entrepreneur, I don't like what is happening, why the middlemen are playing too much in this industry "(P2)

The level of entrepreneurial motivation does not only depend on internal motivation but also depends on external motivation where interactions and support system from the nearest family to increase productivity. A circle of supportive people can influence motivation and give impact to the entrepreneurs' actions in the business. Gestures such as personal help, advice, encouragement and information dissemination are reasons for an entrepreneur to move towards a successful business. This fact is based on situations experienced by P4 and P10, who receive support from their family members when solving problem in business:

"In terms of friends, surrounding people ... or my family, especially – they always push me to change in life and give me money to run the business start-up "(P4)

"But the wife is ... she always motivates me to succeed in business. So the motivation comes back. When it comes back and I will be stronger to face any business challenges..." (P10)

The study also found that most of the samples agreed that their communications skills have significantly contributed to the success of their new venture creation in e-commerce. Communication skill is important for each entrepreneur when building a business, especially when generating sales. An entrepreneur's ability to communicate properly will serve as an advantage in order to attract customers to buy his products. When attracting customers, an entrepreneur should have the basic communication skills like using words properly in emails or social media chat sites. This is because effective communication skills may influence customers' purchasing decisions. For instance, according to P2, he has good communication skills as compared to his employees when convincing the customers to buy his products:

"Maybe it is the way we interact with the customers. It makes a difference when we are able to explain well. How good we are when we are communicating with our customers..." (P2)

This is to say that the entrepreneurs should use the right choice of words when dealing with the customers. This is to ensure that the customers are always satisfied throughout the business transaction process. Besides, P2 always give adequate respect to his customers regardless of their social background. He is also good at negotiating with the customers, especially in terms of price reduction, product quality and other special requests.

“When we contact our customers via emails, we use proper words. We do not use any short forms. Customers are valuable. We do not know the age of the customers who email us. They might be professionals, like doctors. We could never know. All we know is their names, not their status. Thus, we must use the standard form while communicating with them in order to show our respect.” (P2)

Sharing similar opinions with P2, P3 also suggested that entrepreneurs need to learn about internet marketing to attract customers to buy the products. This is because communication skills are also one part of the marketing strategies.

“We need to talk wisely; [we] must have high communication skills to convince the customers, to attract them...We must learn about internet marketing. It will not cost anything, only a good time spent” (P3)

She also mentioned that she has the abilities to communicate well with her customers – a skill which is not everyone has. Communication skills have made her more approachable to the customers.

“As an entrepreneur, I always improve my communication skills. Entrepreneurs need to be friendly at all time... Very friendly, customers are always right...” (P3)

She always maintains good communication with her customers to ensure that they are satisfied with the services provided. In order to gain the customers' trusts, it is important for her to be able to communicate well, especially when negotiating with the customers about the pricing and product

quality. Thus, it is essential for every entrepreneur to know how to make his customers feel special, valued and appreciated.

“We cannot be timid... We should not be shy and when we talk to the clients, we want our customers to feel fun shopping at our store. They come here to buy goods... Door gift, that they have to buy (for a wedding) ... How can we be sure that they will buy those things here and not next door (other shops)? The key is to have a good communication skill...” (P3)

This pattern of answers is obvious among the samples. According to P8, e-commerce entrepreneurs must have good communication skills in order to interact with customers. A strong relationship between the seller and customers will only be built when there is good communication during the process of business dealings. The best form of communication to have between the seller and customers is less formal and more like friends. However, it is important for the seller to be able to communicate accordingly, especially if the customers are from the opposite gender.

“For online business (communication skills), the relationship isn’t fixed. The customers come to our store, we greet and entertain them formally...No, it is more to informal type of relationship. We treat them like friends, not customers. We use informal language with them, but still respect them. Address them politely; call them sir.” (P8)

Communication skills is not impossible for entrepreneurs to have as it can be learned. However, to be a good communicator, one should be able to act naturally, instead of pretending. This will convince the customers that the seller is truthful when doing their business and this will indirectly attract

the customers to buy the products. Hence, good communication skills can be a strong marketing tool in attracting and retaining the customers.

“It is actually very simple, just be our self... The way we talk shows who we are, so do not act wrongly. We need to be friendly when we are dealing with our customers...” (P8)

Another factor that contributes to a successful new venture creation by e-commerce entrepreneurs is having computer skills. According to P2, he has the competencies to use computer due to his past working experience in a factory that required him to deal with MS DOS computer operating system, which later has tremendously helped him in starting up his online business.

“Because during my previous work in a factory, we have always used the computer software even without the internet access... we started to use the computers since MS DOS time, we know that already...” (P2)

He actually started the new venture in e-commerce in 2008/2009, which took him nearly four years to establish a brick-and-mortar store after recognizing the business opportunities, even at that time when internet has started to boom. Computer skills therefore serve as an advantage to many entrepreneurs in Malaysia in building their businesses. The entrepreneurs who have the ability to use computers well are usually more recognized in their business, as compared to those who not possess the skills.

“I realised the opportunity since I am used to working with computers since the mono chrome operating system era. So I was one step ahead

from other people. I used the computers when others knew nothing about it...” (P2)

The P8 thoroughly explained on the importance of having basic computer skills when starting-up new venture creation in e-commerce. Recently, for the entrepreneurs who start their business using Facebook as the main platform usually need to create a fan page as a medium to interact with their customers. Thus, being computer literate will assist them in their business.

“In online business, we should know how to create a fan page (Facebook), where we need to go through a “trial and error” process to get it done. In doing business online, we really need to know the skill to increase the sale of the business. In other words, how to keep our customers coming back for more. That is the real challenge...” (P8).

Discussion

Human cognitive processes were caused by information received from previous experiences and personal background which significantly influence their judgment and decision to start a new venture. The findings of this study have demonstrated that cognition in which very much related to the cognitive perspective of thinking and reasoning of an entrepreneur has a significant influence on the e-commerce new venture creation in Malaysia. The cognitive roles such as personal background due to family involvement in business and own experiences about information, computer and technolo-

gy have been recognized as essential elements to influence entrepreneurs by creating new ventures in Malaysia.

Based on this study, it is clear that motivation and competencies of the entrepreneurs also have a great influence on e-commerce new venture creation in Malaysia. The need for achievement or having the desire to succeed is a motivational element that affects the process of e-commerce new venture creation in Malaysia. High level of motivation depends on certain stimulation that drives entrepreneurs to being successful. The two stimulus elements are driven by push factors (such as personal background) and pull factors, where the desire for greatest income has stimulated entrepreneurs to succeed.

The personal background of entrepreneurs who were born from poor families plays a role for creating start-up e-commerce businesses. Raised in a poor family has given the motivation to entrepreneurs to change their lives and to become more successful in the future. A better life can be achieved through exploiting business opportunities as opposed to working with others. Income earned through business is unlimited as compared being an employee of a company, which is considered as static and does not rise significantly. Therefore, in order to change their lives, they must grab the opportunity to start an e-commerce venture that promises unlimited income. The second factor is the desire to earn a high income from their involvement in the business. E-commerce provides entrepreneurs with a lot of advantages, especially the marketing aspects of products that widely distributed in the world. Entrepreneurs who have the ambition to succeed in business need to

exploit the opportunity to start-up an e-commerce ventures that promises a more excess product in the market. Large market penetration will raise the sales and generate higher income.

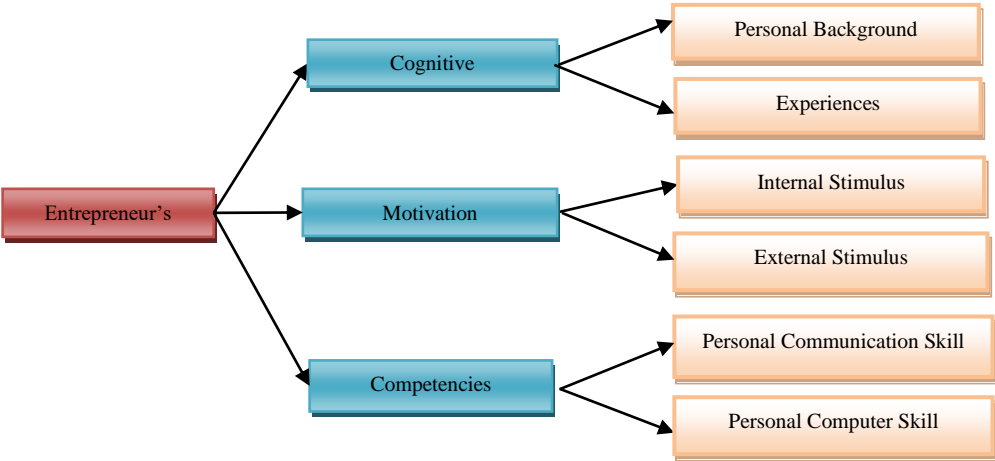
Researchers found that interest is one of the important elements that leads an entrepreneur action to start e-commerce new ventures. Interest has influenced decision and action according to a certain tendency. Based on the context of this study, the entrepreneurs established e-commerce new ventures due to having high interest in business based on background of historical factors, motives and so on. In addition, they have an interest in information technology such as computers, the internet and others related factors are influences to start the new ventures.

The external motivation is one of the elements that influenced the entrepreneurial motivation and action during the start-up of the new ventures. High external motivation as a result of interacting with the surroundings that will give confidence to the entrepreneurs in their decision making. The results of interacting with customers, family members and industries have increased their motivation that can ensure the success of entrepreneurs' businesses in the future as opposed to those who are with a negative surrounding.

Entrepreneurial skills are highly dependent on two important elements – their past experiences using computers as well as their personal communication skills that greatly influence their personal judgment and decision to start a new venture creation. The findings of this study have clearly demonstrated that entrepreneurial competencies are extremely related to the

entrepreneurs’ personal communication and computer skills, which is an advantage to them when starting a new venture creation in e-commerce. The computer is the main tool in e-commerce business which requires entrepreneurs to have special skills on how to explore the internet. These skills are important for creating e-commerce platform (i.e. such blogs, Facebook, website) and marketing during the start-up process. Besides that, personal communication is also another key factor that determines the success of new venture creation in e-commerce. This is true as entrepreneurs need to have certain skills while dealing with their customers. They should be creative in choosing the right words while communicating with their customers in order to attract their positive decision, especially when buying the products. The framework of entrepreneurial motivation and competencies perspective which is highly important for early new venture creation in e-commerce as shown in Figure 2:

Figure 2. Entrepreneur’s cognitive, motivation and competencies that contributes to the new venture e-commerce in Malaysia



As illustrated in Figure 2 above, it shows the roles of cognitive perspective emerge from two main factors that related to new venture creation in e-commerce in Malaysia. The first main factor associated with the roles of the cognitive entrepreneur is personal background such previous education they are received and family background. The second factor refers to cognitive entrepreneurs are related to previous work and business experience of entrepreneurs before the decision to start an e-commerce business in Malaysia.

The personal historical background such as education where receives before starting their business is an essential factor to lead their decision for creating the new venture in e-commerce. Education gives them information to generate basic ideas and awareness on how to start new ventures in e-commerce. The family business backgrounds are an influential factor that lead the entrepreneurs to involve in entrepreneurship. Family business background gave them the information and exposure about the business experience since they are young especially about how to create the product and manage the business.

The working experiences getting during the past time also being a significant factor that lead on the new venture creation among e-commerce entrepreneurs in Malaysia. Their previous work experienced gave them knowledge especially on the computer; it is fundamental to establish the e-commerce business. Some of the entrepreneurs also have difficulties in finding their job and this had encouraged them to start the new e-commerce ventures as a source of income. There were also entrepreneurs who have had

various experiences in other business before starting e-commerce ventures. They already had a strong foundation in the business and this will be useful and as essential knowledge to create new e-commerce ventures.

Furthermore, this study also demonstrates that the roles of motivation perspective which emerge from two main factors that are related to new venture creation in e-commerce in Malaysia. The first main factor related to internal stimulus which contains two essential elements; (i) need for achievement and (ii) interest. An individual who comes from a poor family will be more exposed to the entrepreneurship engagement in changing lives through business opportunities. Previous experience has motivated them to become successful entrepreneurs when starting-up their own businesses. Some entrepreneurs argue that working with others ensures no future guarantees of changing their lives. In other words, they are more interested to become an entrepreneur which allows them to earn higher income fastly. Next is the desire to receive substantial income from their involvement in the business. E-commerce provides a platform that comes with a lot of advantages for entrepreneurs, especially regarding the product marketing aspects where items can be marketed widely. Therefore, larger market penetration will increase the number of sales in order to generate more income. Entrepreneurs' interest is also a great influence on the new e-commerce ventures in Malaysia. Interest is an internal stimulus in entrepreneurial motivation to start-up new ventures apart from the desire to succeed. The current study has divided interests into two factors namely in business and information technology. Both types of interest make an important combination to

e-commerce ventures which entails entrepreneur favoring in business and information technology.

Next is external motivation, which also stimulates the entrepreneurs in new venture creation e-commerce. Based on this study, external motivation is driven by three essential elements which are family, customer support and situational factors that cause entrepreneurs to become successful in business. Surrounding people who are always giving full support can influence the entrepreneurs' motivation and action in the business. With personal support, advice, inspiration, and information, entrepreneurs are likely to become successful in the business. Continuous customer support for existing products can also be considered as an additional aspect that provides an external stimulus for entrepreneurs to produce a variety of product design in the future. At the same time, the situation in the industry is challenging where the market is often monopolized by middlemen who control market prices. The monopoly affects traditional craft entrepreneurs who are continuously oppressed by the middlemen. The solution to overcome this gap is to transform the strategy using e-commerce to market the product and break any form of ties with the middleman.

Figure 2 also displayed that entrepreneurs' competencies which emerge from two main factors that are related to a successful Malaysian new venture creation in e-commerce. The first factor is related to the entrepreneur's communication or personal skills on how to communicate with customers during the dealing process. The second factor refers to the entrepreneur's computer skills, especially on working with computers when start-

ing-up new platform, doing online marketing as well as exploring new things.

Personal communication skills are very important in the new e-commerce business in Malaysia. Having good communication skills gives entrepreneurs an advantage in attracting customers to purchase their products. A close relationship between the seller and customers will be built based on good communication where the customers put their trusts on the seller. There is no doubt that entrepreneurs need skills and techniques while dealing with their customers, especially when they have to explain over choices of their products. These special skills in the e-commerce business are however different from those in the brick-and-mortar businesses because they do not involve direct communication. E-commerce deals more with non-verbal communication, where most of the time, communication occurs online (via emails, social chat rooms, and newsletters). It is therefore important for entrepreneurs to write properly and rhetorically in order to keep the customers happy and satisfied. This is because an effective piece of writing will surely gain customers' trust and bring large profits in return.

In addition, the computer skills of the entrepreneurs are also one of the significant factors that contribute to the success of new venture creation amongst e-commerce entrepreneurs in Malaysia. Their past working experience using the computers has significantly helped them in setting up the business. Moreover, their knowledge in computers has also strengthened their skills in exploring the internet to create new platforms such as blogs, websites and social media in expanding their business. Entrepreneurs with

basic computer skills are usually one step ahead from the others as they are more advanced in dealing with this technological force.

This study has been conducted by interview-based on purposive sampling and snowball approach among twelve of e-commerce entrepreneurs, as identified by MCMC 2012. This is as the limitation of the study since the selection of the small sample. Selection of small sample sizes based on case studies will tend to make this study inappropriate to be adapted to different locations and samples. Davidsson (2008, pp. 54-56) argues that studies of the entrepreneurial process have several challenges that have limited information available. Entrepreneurship research requires a longitudinal study that involves a long process of data collection, starting at the idea generation until the ventures established. While the time taken by an entrepreneur to start-up a new venture also varies. Therefore, this study used data collection methods based only on cross-sectional after the establishment of new ventures without researchers attached through the process during the early stages of start-up. According to Bryman and Bell (2011), the issue of “generalization” is less important in qualitative research as it focuses more on in-depth analysis. Therefore, this study does not represent the entire of e-commerce entrepreneurs’ population in Malaysia but is only exploratory study to find out how this phenomenon occurs. Thus, this study emphasizes in more detail the meaning given in the context of the interviews.

Conclusion

In conclusion, the personal background such as education and family background and also the work and business experience play essential roles in cognitive perspective because it provides a useful source of information for entrepreneurs to start the new business in the future compare who those do not have any information about the company.

Entrepreneurial motivation is related to the internal stimulus which contains two essential elements; (i) need for achievement and (ii) interest. Need for achievement comprises of two elements; driven by push factors (such as personal background) and pull factors, the desire for greatest income has stimulated entrepreneurs to succeed. The next element in the internal stimulus is interest – one of the important elements that lead entrepreneurs' action to start-up e-commerce new ventures di Malaysia. Based on the context of this study, entrepreneurs' start-up an e-commerce new venture is due to having high interest in business and in information technology such as computers, the internet and others. The external motivation is one of the elements that influence entrepreneurial motivation and action during the start-up of the new ventures. High external motivation as a result of interaction with the conducive environment such as customers, family members and industries have increased the entrepreneurs' motivation, driving forth to the business success in the future as opposed to those who are with a negative environment.

Good communication skills will greatly influence the customers' trust and confidence before making any decision to buy the products. The

nature of the e-commerce business requires entrepreneurs to realize the importance of effective communication through indirect approaches. The business situational environment requires e-commerce entrepreneurs to focus more on how to attract potential customers at different locations via online platforms like blogs, website or social chat rooms. If entrepreneurs fail to communicate with the customers properly, probably the sales would not be performed. This is because of the lack of trust due to bad communication with the customers. Moreover, entrepreneurs' computer skill is also one of the main tools in e-commerce businesses. It is a must for every entrepreneur to have the ability to use computers, especially on how to set up and maintain the blogs, websites and other social media as it is important during the whole process of e-commerce business start-up.

References

1. Ahmad Firdause Md Fadzil, Mohd Rafi Yaacob, & Mohd Nazri Muhayiddin. (2017). The Roles of Competencies in the New Venture Creation among E-Commerce Entrepreneurs in Malaysia. *International of Business and Management Invention*, 6(3), 25-31.
2. Ahmad Firdause Md Fadzil, Mohd Rafi Yaacob, & Mohd Nazri Muhayiddin. (2017). Individual Psychology as Component of Entrepreneurial Process: The Cognitive Perspective Contribution of the New Venture Creation among E-Commerce Entrepreneurs in Malaysia. *International of Business and Management Invention*, 6(3), 32-39.
3. Baron, R. A. (1998). Cognitive mechanisms in entrepreneurship: Why and when entrepreneurs think differently than other people. *Journal of Business Venturing*, 13, 275-294.
4. Baron, R. A. (2004). The cognitive perspective: a valuable tool for answering entrepreneurship's basic "why" question. *Journal of Business Venturing*, 19, 221-239.
5. Baron, R. A., Shane, S. (2008). *Entrepreneurship: A process Perspective* Canada: Southwestern Thomson.

6. Bryman, A., & Bell, E. (2011). *Business research methods* (3rd ed.). New York: Oxford University Press, USA.
7. Carree, M. A., & Thurik, A. R. (2005). The impact of entrepreneurship on economic growth *Handbook of entrepreneurship research* (pp. 437-471): Springer.
8. Corbin, J., & Strauss, A. (2008). *Basics of qualitative research: Techniques and procedures for developing grounded theory* (3th ed.). California, USA: Sage Publications, Inc.
9. Cromie, S. (2000). Assessing entrepreneurial inclinations: Some approaches and empirical evidence. *European Journal of Work and Organizational Psychology*, 9(1), 7-30.
10. David M. Townsend, L. W. B., Jonathan D. Arthurs. (2010). To start or not to start: Outcome and ability expectations in decision to start a new ventures *Journal of Business Venturing*, 25, 192-202.
11. Davidsson, P. (2005). *Researching entrepreneurship* (Vol. 5): Springer.
12. Davidsson, P. (2008). *The entrepreneurship research challenge*. Cheltenham, UK: Edward Elgar Publishing.
13. Dheeriyaa, P. L. (2009). A Conceptual Framework for Describing Online Entrepreneurship. *Journal of Small Business & Entrepreneurship*, 22(3), 275-283.
14. Drucker, P. F. (1985). *Innovation and Entrepreneurship: Practice and Principle*. New York: Happer and Row.
15. Gartner, W. B. (1985). A Conceptual Framework for Describing the Phenomenon of New Venture Creation. *Academy of Management Review*, 10(4), 696-706.
16. Gartner, W. B. (1988). Who is an Entrepreneur?" is the Wrong Question. *American journal of small business*, 13, 11-32.
17. Gartner, W. B., & Bellamy, M. G. (2009). *Creating the Enterprise* (1st ed.). Canada: Thomson South-Western.
18. Merriam, S. B. (2009). *Qualitative research: A guide to design and implementation* (2nd ed.). San Francisco, CA: John Wiley & Sons.
19. Mohd Firdaus Hashim. (2013). SKMM bantu usahawan mikro, *Sinar Harian Malaysia*, p. 47.
20. Morris, M. H. (1998). *Entrepreneurial intensity: Sustainable advantages for individuals, organizations, and societies*: Praeger Pub Text.
21. Radović-Marković, M., & Salamzadeh, A. (2012). *The nature of entrepreneurship: Entrepreneurs and entrepreneurial activities*. Lap Lambert Academic Publishing: Germany.

22. Salamzadeh, A. (2015). New venture creation: Controversial perspectives and theories. *Economic Analysis*, 48(3-4), 101-109.
23. Salamzadeh, A., & Kawamorita Kesim, H. (2017). The enterprising communities and startup ecosystem in Iran. *Journal of Enterprising Communities: People and Places in the Global Economy*, 11(4), 456-479.
24. Salamzadeh, A., & Kirby, D. A. (2017). New venture creation: How start-ups grow?. *AD-minister*, (30), 9-29.
25. Salamzadeh, A., Arasti, Z., & Elyasi, G. M. (2017). Creation of ICT-based social start-ups in Iran: A multiple case study. *Journal of enterprising culture*, 25(01), 97-122.
26. Segal, G., Borgia, D., & Schoenfeld, J. (2005). The motivation to become an entrepreneur. *International Journal of Entrepreneurial Behaviour & Research*, 11(1), 42-57.
27. Shane, S. (2003). *A general theory of entrepreneurship: The individual-opportunity nexus*. Cheltenham, UK and Northampton: Edward Elgar Pub.
28. Shane, S., Locke, E. A., & Christopher. (2003). Entrepreneurial Motivation. *Human Resource Management Review*, 13, 257-279.
29. Wennekers, S., & Thurik, R. (1999). Linking entrepreneurship and economic growth. *Small Business Economics*, 13(1), 27-56.